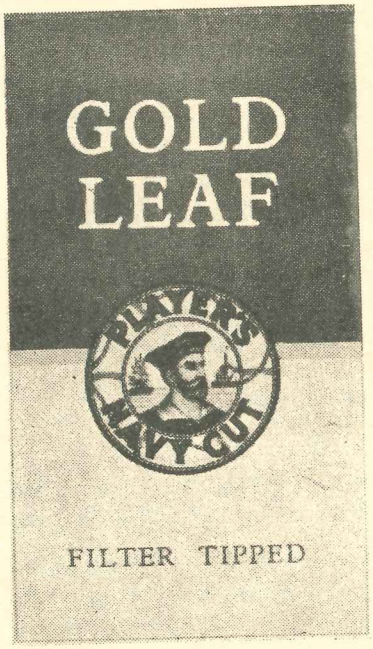
BRITISH-AMERICAN TOBACCO CO. LTD. v. TOBACCO IMPORTERS & MANUFACTURERS LTD. & ORS.

[O.C.J. (Ambrose J.) April 4, 1963]

[Singapore — Suit No. 1565 of 1962]

Trade Marks — Infringement — Trade Marks Ordinance, (Cap. 185), s.10 — Essential particulars — Disclaimed feature — Distinctive marks — Identification — Comparison — Colour — Confusion.

The plaintiffs, a company incorporated in the United Kingdom and having no place of business in Singapore, are the registered proprietors of trade mark No. 29816 registered with effect from December 13, 1961, in Class 34 of the Registrar of Trade Marks, Singapore in respect of tobacco whether manufactured or unmanufactured. A representation of the mark appears below, (the pictorial device of the sailor's head being multi-coloured and the main pack divided into two segments coloured red and white respectively):



Cigarettes bearing the plaintiffs' mark were sold for the first time in Singapore on November 9, 1961 to the extent of a total of 3,000 cigarettes in cartons of twenty. No further sales were made until July 28, 1962 and from that date, by arrangement with the plaintiffs, the Singapore Tobacco Co. Ltd. manufactured and sold in Singapore Players Gold Leaf cigarettes in cartons bearing the plaintiffs' mark.

The first and second defendants are companies incorporated in the Federation of Malaya having a place of business in Singapore. The first defendant is a wholly-owned subsidiary of the second. On July 30, 1962, the defendants put on the market and sold in Singapore Virginia Gold cigarettes in cartons a representation of which appears below, (the pictorial device of the two leaves being coloured gold and the main pack being divided into two segments coloured red and white respectively):

The facts are fully set out in the judgment.

The plaintiffs sued the defendants for an injunction and damages for infringement of their registered trade mark and for passing-off but in the course of the trial abandoned their claim for passing-off.

Held: (1) a trade mark is infringed if a person other than the registered proprietor or authorised user uses in relation to goods covered by the registration one or more of the trade mark's essential particulars;

(2) a disclaimed feature cannot possibly be regarded as an essential particular;

(3) the red panel is a mark, but is not inherently adapted to distinguish the plaintiffs' cigarettes from other cigarettes, is not a distinctive mark within the terms of section 10(2) of the Trade Marks Ordinance and is not one of the essential particulars of the plaintiffs' registered mark;

(4) the identification of an essential feature depends partly on the Court's own judgment and partly on the burden of the evidence that is placed before it;

(5) where common marks are included in the trade marks to be compared the proper principle to apply is to look at the marks as wholes and not to disregard the parts which are common;

(6) there is no actual confusion if Chinese-speaking customers who want Players Gold Leaf and Chinese-speaking customers who want Virginia Gold all ask for them by the same Chinese name which applies to both the plaintiffs' and the defendants' cigarettes and customers who are given the kind they do not want indicate what they do want;

(7) the mark used by the defendants on their cartons does not resemble the plaintiffs' registered mark except as regards the red and white panels; this resemblance of colour is not such as is likely to deceive or cause confusion in the course of trade since the main idea or

characteristic feature of the plaintiffs' mark is the pictorial device of the lifebuoy enclosing the head of a sailor; the dissimilarity of the dissimilar parts is enough to make the plaintiffs' and defendants' marks dissimilar on looking at them as wholes.

Cases referred to:—

(1) *Taw Manufacturing Co. Ltd.* v. *Notek Engineering Co. Ltd.* (1951) 68 R.P.C. 271.

(2) *de Cordova* v. *Vick Chemical Co.* [1951] 68 R.P.C. 103.

(3) *Re Farrow's Application* (1890) 7 R.P.C. 260.

(4) *Re Diamond T Motor Car Co.* [1921] 38 R.P.C. 373.

(5) *United Kingdom Tobacco Co. (1920) Ltd.* v. *Malayan Tobacco Distributors Ltd.* [1937] M.L.J. 147; [1933] S.S.L.R. 296; (1933) 51 R.P.C. 11, P.C.

ACTION For Infringement of Trade Mark.

C. L. Duff (*Neoh Thean Hup* with him) for the plaintiffs.

G. S. Hill (*Cheng Tim Pin* with him) for the defendants.

Ambrose J.: This was an action for infringement of a trade mark and for passing-off in respect of the sale of cigarettes. The plaintiffs, British-American Tobacco Company Limited, are a company incorporated in England, and have their registered office in the City of London. The first and second defendants are companies incorporated in the Federation of Malaya, and have a place of business in Singapore. The first defendant is a wholly-owned subsidiary of the second.

The plaintiffs are the registered proprietors of Trade Mark No. 29816 registered as from the 13th December, 1961, in Class 34 of the Register of Trade Marks, Singapore, in respect of tobacco whether manufactured or unmanufactured. The trade mark consists of a pictorial device and the words "Gold Leaf" printed above the pictorial device and on a broad coloured panel. The exclusive use of the words "Gold Leaf" was specifically disclaimed. The trade mark is not limited in whole or in part to one or more specified colours. The pictorial device comprises a lifebuoy bearing the words "Player's Navy Cut" and enclosing the head of a sailor with two ships on the sea in the background.

On the 9th November, 1961, the plaintiffs sold for the first time in Singapore 3,000 imported filter-tipped cigarettes packed in red and white cartons, each containing 20 cigarettes and bearing this pictorial device and the words "Gold Leaf" printed on a broad red panel. The purpose of the sale was to put the name of the brand "Player's Gold Leaf" on the Singapore market. On the 28th July, 1962, the plaintiffs sold for the second time in Singapore 3,000 imported filter-tipped cigarettes packed in similar cartons, each containing 10 cigarettes. By arrangement with the plaintiffs, the Singapore Tobacco Co. Ltd. manufactured and sold in Singapore Player's Gold Leaf filter-tipped cigarettes in similar cartons, each containing 10 or 20 cigarettes. The quantity of such locally-manufactured cigarettes sold in Singapore from the 4th August, 1962, to the end of November, 1962, amounted to 23 million.

The defendants sold 2,000 locally-manufactured plain cigarettes in Singapore on the 30th July, 1962, in red and white cartons, each containing 10 cigarettes and bearing a pictorial device consisting of two embossed gold leaves and the words "Virginia Gold" printed above the pictorial device and on a broad red panel. The quantity of such locally-manufactured plain cigarettes sold in Singapore in such cartons from that date to the end of December, 1962, amounted to 6 million.

It was alleged in the statement of claim:

(1) that the defendants caused to be put upon the market in Singapore and sold cigarettes not of the plaintiffs' manufacture or merchandise in cartons which are a colourable and deceptive imitation of the plaintiffs' trade mark;

(2) that the defendants' cartons are printed in red and white and comprise the device of gold leaves as a prominent feature of the get-up;

(3) that the use of such cartons is an infringement of the plaintiffs' registered trade mark and is calculated to lead to deception and to the belief that the defendants' cigarettes are the cigarettes of the plaintiffs.

The claim for passing-off was withdrawn shortly before the conclusion of the hearing.

The issue to be decided was whether the defendants used a mark on their cartons so nearly resembling the plaintiffs' registered trade mark as to be likely to deceive or to cause confusion in the course of trade, and in a manner which renders the use of the mark likely to be taken as use as a trade mark or as importing a reference to the plaintiffs or to the plaintiffs' cigarettes.

The first proposition of counsel for the plaintiffs was that "a trade mark is infringed if a person other than the registered proprietor or authorized user uses, in relation to goods covered by the registration, one or more of the trade mark's essential particulars." The authority cited for this proposition was a passage to that effect from the judgment of Lloyd-Jacob J. in *Taw Manufacturing Co. Ltd.* v. *Notek Engineering Co. Ltd.* [1], at page 273. I accepted this proposition. It was submitted by counsel that the words "Gold Leaf" and the broad red panel were essential particulars of the plaintiffs' registered trade mark, and that both these essential particulars were used by the defendants in relation to their cigarettes.

The first question for consideration was whether the words "Gold Leaf" were an essential particular of the plaintiffs' trade mark. Section 10(1) of the Trade Marks Ordinance (Cap. 185) provides that a trade mark registrable in Part A of the Register must contain or consist of at least one of the essential particulars set out therein. These are:

(a) the name of a company, individual or firm represented in a special or particular manner;

(b) the signature of the applicant for the registration or some predecessor in his business;

(c) an invented word or invented words;

(d) a word or words having no direct reference to the character or quality of the goods, and not being according to its ordinary signification a geographical name or surname;

(e) any other distinctive mark: Provided that a name, signature, or word or words, other than such as fall within the description in the above paragraphs (a), (b), (c) and (d), shall not be registrable under the provisions of this paragraph except upon evidence of its distinctiveness.

The words "Gold Leaf" directly refer to the character or quality of the goods, and do not fall within paragraphs (a), (b), (c) and (d). They were not registrable under paragraph (e) except upon evidence of their distinctiveness. The exclusive use of those words was specifically disclaimed by the plaintiffs. I decided that a disclaimed feature cannot possibly be regarded as an essential particular. I agreed with the view expressed by Lloyd-Jacob J. in the *Taw case* cited above that "A disclaimed feature is the antithesis of an essential particular". I accepted the following passage from *Kerly's* Law of Trade Marks, 8th edition, page 150, as a correct statement of the law:

"The effect of a disclaimer is that the proprietor of the registered trade mark cannot claim any trade mark rights in respect of the parts of the mark to which the disclaimer relates, so that, for instance, no action for infringement lies in respect of the use or imitation of the disclaimed particulars."

The second question for consideration was whether the red panel was an essential particular of the plaintiffs' trade mark. In my opinion, the red panel is a mark. I had, therefore, to decide whether it is a distinctive mark? "Distinctive" according to section 10(2) of the Ordinance means adapted to distinguish the plaintiffs' cigarettes from other cigarettes. According to section 10(3), in determining whether a trade mark is adapted to distinguish as aforesaid the Court may have regard to the extent to which:

(a) the trade mark is inherently adapted to distinguish as aforesaid; and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact adapted to distinguish as aforesaid.

It was said that the red panel takes up exactly 11/20ths of the face of the plaintiffs' cartons and that this distinguishes the plaintiffs' red and white cartons from other red and white cartons. I took the view that the red panel is not inherently adapted to distinguish the plaintiffs' cigarettes from other cigarettes. I also took the view that the red panel had not been used by the plaintiffs for such a long period prior to the 30th July, 1962, that it had thereby become adapted to distinguish the plaintiffs' cigarettes from other cigarettes. And I saw no other circumstances by reason of which it could be said that the red panel is in fact so adapted. Thus I came to the conclusion that the red panel is not a distinctive mark as defined above; and that it is not one of the essential particulars of the plaintiffs' registered trade mark set out in section 10(1) of the Trade Marks Ordinance.

I had, however, to consider the evidence placed before the Court as to what the public regards as essential features of the plaintiffs' registered trade mark. The identification of an essential feature depends partly on the Court's own judgment and partly on the burden of the evidence that is placed before it: *de Cordova* v. *Vick Chemical Co.* [2], at p. 106. In that case the Privy Council said:

"If a word forming part of a mark has come in trade to be used to identify the goods of the owner of the mark, it is an infringement of the mark itself to use that word as the mark or part of the mark of another trader, for confusion is likely to result."

It was said that the words "Gold Leaf" had come in trade to be used to identify the plaintiffs' "Player's Gold Leaf" cigarettes; and that it was an infringement of the plaintiffs' registered trade mark for the defendants to use gold leaves as part of their mark, as that would cause the defendants' cigarettes to be referred to as "Gold Leaf" in the Singapore market and cause confusion. In my opinion, there was no evidence that the words "Gold Leaf" had come in trade to be used to identify the plaintiffs' "Player's Gold Leaf" cigarettes on the 30th July, 1962, when the defendants' cigarettes were first put on the market in Singapore. Nor was there any evidence that at that date the public in Singapore regarded the red panel on the plaintiffs' cartons as an essential feature. I, therefore, came to the conclusion that neither the expression "Gold Leaf" nor the red panel was an essential feature of the plaintiffs' registered trade mark; and that the defendants did not use any of the essential particulars or features of the plaintiffs' registered trade mark in relation to their cigarettes.

The second proposition of counsel for the plaintiffs was that where common marks are included in the trade marks to be compared, or in one of them, the proper course is to look at the marks as wholes and not to disregard the parts which are common. He cited *Re Farrow's Application* [3], as authority for it. The proposition is to be found in *Kerly's* Law of Trade Marks, 8th edition, at page 407. It was conceded by counsel for the defendants. And I accepted it as a correct statement of the law. Counsel for the plaintiffs said that the words "Gold Leaf" having been disclaimed by the plaintiffs may be treated as something common to the trade. The expression "common to the trade" has two meanings: (1) in common use in the trade; (2) open to the trade to use. Counsel meant that the words "Gold Leaf" were open to the trade to use. I found on the evidence before me that the words "Gold Leaf" were in common use in the trade; and also that red and white panels were in common use in the trade. Before applying the above proposition to the facts of this case, I had to consider the evidence adduced by the plaintiffs as to actual confusion.

But before doing so, I rejected the argument submitted on behalf of the plaintiffs that to combine the words "Gold Leaf" with the red and white panels would be an infringement of the plaintiffs' trade mark, if the principle in *Re Diamond T Motor Car Co.* (4) is applied. It was urged upon me for the purpose of this argument that the use of a device of two gold leaves should be regarded as equivalent to using the words "Gold Leaf". The facts in the case cited were these. The applicants applied for registration of a trade mark consisting of a combination of the word "diamond" and the letter "T" within a diamond-shaped border. The Registrar of Trade Marks refused the application on the ground that the mark was not a distinctive mark; that the device of a diamond was a common device for trade marks in the motor trade; that registration of the mark might create in the mind of the public the impression that the applicants had obtained a monopoly of a diamond-shaped border; and that registration of the mark would prevent all persons who had the initial T from using that initial in a diamond-shaped border. On appeal it was held that the existence of diamond marks and of T marks did not prevent the applicants' mark, which for the first time combined the common feature of each class, from being a distinctive mark. And the application was ordered to be proceeded with, subject to a condition that the applicants should disclaim any right to the exclusive use of the diamond-shaped border and the word "diamond" and also the letter "T" so as to prevent it being thought or the applicants claiming that the registration conferred such rights. What was decided in this case was that a mark which is a combination of devices common to the trade may be distinctive and registrable though each part has to be separately disclaimed. I failed to see how this principle would make a combination of the words "Gold Leaf" with the red and white panels an infringement of the plaintiffs' trade mark. For the proper principle to apply in comparing marks is to look at the marks as wholes and not to disregard the parts which are common. And it seemed to me to be improper to exclude the pictorial device which was the main idea or characteristic feature of the plaintiffs' trade mark in comparing the plaintiffs' trade mark and the defendants' trade mark.

In my opinion the plaintiffs failed to show that there was a single case of actual confusion or deception. The evidence adduced by them as to actual confusion was as follows. Mohamed Yusoff bin Abdul Rahman testified that he bought two cartons of Virginia Gold cigarettes at the Trade Fair in Klang in December, 1962, on the advice of some persons whom he thought to be representatives of the Malayan Tobacco Co. Ltd. He asked for Virginia Gold cigarettes on that occasion and he got what he asked for. On another occasion he asked a shop-keeper for Virginia Gold cigarettes and received a carton which he subsequently found to be empty. He made a complaint about this in a letter dated the 13th December, 1962, which he addressed to the Malayan Tobacco Co. Ltd. in Kuala Lumpur, who manufacture Player's Gold Leaf cigarettes by arrangement with the plaintiffs. The reason why he addressed his complaint to them was that he thought that they manufactured Virginia Gold because Virginia Gold appeared to him to have the same colour and kind of tobacco as Player's Gold Leaf. The witness impressed me unfavourably. I did not believe the reason given by him. He could read and write English. If he had read the words on the Virginia Gold carton, he would have learned that the first defendants were the manufacturers. It seemed to me that the reason for his connecting the Virginia Gold carton with the Malayan Tobacco Co. Ltd. was that he thought that the persons who advised him to try Virginia Gold were connected with that company. I took the view that that sort of confusion was entirely irrelevant.

Another witness, Noel Aeria, said that on the 4th November, 1962, he asked an office messenger to buy him a packet of Player's Gold Leaf and gave him 35 cents. The messenger brought a packet of cigarettes which had a red top half and also the word "Gold" on it. He opened the packet and found that the cigarettes were not filter-tipped. There was no evidence as to what the messenger said to the cigarette-seller. I thought that if the witness had personally gone to the cigarette-seller, he would not have accepted a packet of Virginia Gold if he had asked for Player's Gold Leaf.

Abdul Razak, a stall-holder, said that Virginia Gold was sold at 30 cts. a packet and Player's Gold Leaf at 35 cts.; and that sometimes when there were several customers to whom he could not attend at the same time, they put down 30 cts. and took a Player's Gold Leaf packet, or put down 35 cts. and took a Virginia Gold packet. He added that there was nothing to indicate the prices of the respective packets. It seemed to me that, if there was confusion, the reason for the confusion was not clear.

Tan Ah Eng, a coffee-shop proprietor, said that Chinese customers who wanted Player's Gold Leaf referred to it as "Kim Hioh Hai Koon" or "Ang Peh". "Kim Hioh" means Gold Leaf or Gold Leaves; "Hai Koon" means Sailor; and "Ang Peh" means Red and White. He also said that Chinese customers who wanted Virginia Gold referred to it as "Kim Hioh" or "Ang Peh". He added that if a customer asked for "Ang Peh" he would give him Player's Gold Leaf, and if he did not want it he would give him Virginia Gold.

Ng Kok Hwee, the proprietor of a provision-shop, said that Chinese customers referred to Player's Gold Leaf cigarettes as "Kim Hioh" or "Kim Hioh Hai Koon" or "Ang Peh". He also said that Chinese customers referred to Virginia Gold as "Kim Hioh" but not as "Ang Peh". If a customer asked for "Ang Peh" and was given Virginia Gold, he would point to Player's Gold

Leaf if that was what he wanted. If a customer asked for "Kim Hioh" and was given Virginia Gold and he did not want it, he would be given Player's Gold Leaf.

Tan Yan Tee, a coffee-shop partner, said that Chinese customers referred to Player's Gold Leaf as "Hai Koon Kim Hioh" or "Ang Peh", and to Virginia Gold as "Kim Hioh" or "Ang Peh Kim Hioh".

P.C. O'Neil-Dunne, a director of the second defendant company, testified that in September and October, 1962, he was quite concerned about the accusation of confusion made by the plaintiffs. He personally visited about a hundred shops in Singapore and did not find a single instance of confusion. He observed that Chinese-speaking people referred to Player's Gold Leaf as "Sin Hai Koon" or "Hai Koon Kim Hioh"; and that they referred to Virginia Gold as "Kim Hioh". "Sin" means new. He found that the smoker who does not speak English looks for the pictorial devices.

It seemed to me clear from the decision of the Privy Council in *United Kingdom Tobacco Co. (1920) Ltd.* v. *Malayan Tobacco Distributors Ltd.* [5] that there was no confusion in any of the instances referred to by Tan Ah Eng, Ng Kok Hwee and Tan Yan Tee. In that case the Privy Council said (at page 22):

> " Only one witness was called by the respondents who could speak of the relevant market, namely, L.M. Abdul Mohamed. He said the respondents' cigarettes were asked for as Dua Puloh Satu (that is to say, the Malay for twenty-one) and sometimes 'two for one' in English, and that the appellants' cigarettes were asked for as Dua Puloh Satu and in English twenty-one. The learned trial Judge treats this witness as giving evidence of actual confusion. The effect of his evidence, according to their Lordships' view, is that there was no confusion even if the evidence of this witness is to be accepted."

I took the view that there is no actual confusion, if Chinese-speaking customers who want Player's Gold Leaf ask for "Kim Hioh" and Chinese-speaking customers who want Virginia Gold ask for "Kim Hioh", and "Kim Hioh" applies to both the plaintiffs' and defendants' cigarettes, and customers who are given the kind they do not want indicate what they want. I took the same view as regards the use of the words "Ang Peh" for both the plaintiffs' and defendants' cigarettes.

In paragraph 7 of the amended statement of claim there was a conditional plea of fraud in these terms:

> " The plaintiffs will contend in the absence of any satisfactory explanation as to how the said cartons of the defendants came to be designed and adopted, that the said cartons of the defendants was designed and adopted with the object of enabling the said cartons of the defendants to be mistaken for and compared with the said cartons of the plaintiffs."

I thought that the word "compared" was clearly wrong and should be replaced by the word "confused". It was not disputed that the name "Virginia Gold" had been in the second defendants' collection of unpublished cigarette pack designs from 1950. The name "Virginia Gold" was selected from this collection in June, 1961, for the product to be manufactured in Singapore by the defendants. Two gold leaves were selected as the pictorial device. The design of the "Virginia Gold" carton was finally decided upon by the defendants in April, 1962. By then the defendants had seen Player's Gold Leaf cartons. It seemed to me that the defendants decided to use red and white for their own cartons in the same proportion as they appeared on the plaintiffs' cartons. In my view their object in doing so was not that their cartons might be mistaken for and confused with the plaintiffs' cartons but that the get-up of their cartons might be no less attractive to Chinese cigarette-smokers in Singapore than the get-up of the plaintiffs' cartons, red being regarded as an auspicious colour by the Chinese.

On looking at the plaintiffs' and defendants' trade marks as wholes and without disregarding the parts which are common, I came to the conclusion that the mark used by the defendants on their cartons did not resemble the plaintiffs' registered trade mark except as regards the red and white panels. And I decided that this resemblance in colour was not such as was likely to deceive or to cause confusion in the course of trade. It seemed to me unlikely that anyone acquainted generally with the plaintiffs' trade mark could fail to regard as its main idea or characteristic feature the pictorial device of the lifebuoy enclosing the head of a sailor. The plaintiffs' advertisements stressed this feature. The pictorial device was the significant feature which any recollection of the plaintiffs' trade mark would retain. The dissimilarity of the dissimilar parts was enough to make the plaintiffs' and defendants' trade marks dissimilar on looking at them as wholes.

It was for the above reasons that I gave judgment for the defendants with costs.

Judgment for the defendants.

Solicitors: *Donaldson & Burkinshaw; Rodyk & Davidson.*